

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

US BANKRUPTCY COURT
DISTRICT OF DELAWARE
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In re:

W. R. GRACE & CO., et al.¹

Debtors.

) Chapter 11

) Case No. 01-01139 (JJF)

) Jointly Administered

Objection Deadline: June 4, 2001 at
4:00 p.m.

Hearing Date: To be scheduled only
if objections are timely filed and
served.

**NOTICE OF APPLICATION FOR AN ORDER AUTHORIZING THE
RETENTION OF DUANE, MORRIS & HECKSCHER LLP AS COUNSEL TO
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS**

The Official Committee of Unsecured Creditors (the "Committee") appointed in the Chapter 11 cases of W.R. Grace & Co. et al. ("Grace") and its sixty-one subsidiaries and affiliates has filed an **Application for an Order Authorizing the Retention of Duane, Morris & Heckscher LLP as Counsel to the Official Committee of Unsecured Creditors ("Application")**.

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

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You are required to file a response to the attached **Application** on or before **June 4, 2001 at 4:00 p.m.**

At the same time, you must also serve a copy of the response upon applicant's undersigned attorneys.

A HEARING ON THE APPLICATION WILL BE HELD BEFORE THE HONORABLE JOSEPH J. FARNAN, JR., ONLY IF OBJECTIONS ARE TIMELY FILED AND SERVED.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.

Dated: May 17, 2001

STROOCK & STROOCK & LAVAN LLP
Lewis Kruger, Esq.
Robert A. Raskin, Esq.
Arlene G. Krieger, Esq.
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New York, New York 10038-4982
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- and -



Michael R. Lastowski, Esquire (DE I.D. No. 3892)
William S. Katchen, Esquire
DUANE, MORRIS & HECKSCHER, LLP
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Proposed Co-Counsel for the Official
Committee of Unsecured Creditors

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 11
W.R. GRACE & CO., et al.,¹	:	Case No. 01-01139 (JJF)
Debtors.	:	(Jointly Administered)
	:	Objection Deadline: June 4, 2001 at 4:00 p.m.
	:	Hearing Date: To be scheduled only if objections are timely filed and served

**APPLICATION OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR AN ORDER
AUTORIZING THE EMPLOYMENT AND RETENTION
OF DUANE, MORRIS & HECKSCHER LLP AS LOCAL COUNSEL**

The Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases of W.R. Grace & Co. (“Grace”) and its sixty-one subsidiaries and affiliates (collectively with Grace, the “Debtors”) respectfully submits this application (the “Application”) pursuant to 11 U.S.C. §§327(a) and 1103 and Rule 2014 of the Federal Rules Of Bankruptcy Procedure for an Order authorizing the Committee to retain Duane, Morris & Heckscher LLP (“Duane Morris”) as its local counsel with the law firm of Stroock & Stroock & Lavan LLP

¹ The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circc Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., GC Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company , Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

("Stroock") in the Debtors' chapter 11 case, as of April 17, 2001, and in support of its Application, respectfully represents as follows:

BACKGROUND

1. On April 2, 2001 (the "Petition Date"), the Debtors commenced their reorganization cases by filing voluntary petitions for relief under chapter 11 title 11 of the United States Code, 11 U.S.C.. §§101 et seq. (the "Bankruptcy Code").

2. The Debtors have continued in possession of their properties and have continued to operate and manage their businesses as debtors-in-possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code. Pursuant to an order of the Court, the Debtors chapter 11 cases have been procedurally consolidated and are being jointly administered.

3. The Debtors operate a world wide specialty chemicals and materials business predominately through two business units, Davison Chemicals and Performance Chemicals. The Debtors employ approximately 3860 full-time employees. On a consolidated basis, for the fiscal year 2000, Grace reported a net loss of \$89.7 million from \$1.59 billion in net revenues. The Debtors' bankruptcy filings report that in fiscal year 2000, on a consolidated basis, Grace's sales are generated approximately 50% by the Debtors and 50% by the Debtors' non-debtor subsidiaries and affiliates.

4. Grace, as the Debtors' parent company, is a global holding company that conducts substantially all of its business through a direct, wholly owned subsidiary of W.R. Grace & Co.-Conn ("Grace-Conn"). Grace-Conn owns substantially all of the assets, properties and rights of Grace in the United States. Grace and Grace-Conn have 76 domestic subsidiaries and affiliates, 60 of which are debtors and debtors-in-possession in these chapter 11 cases and 71 foreign-

non-debtor subsidiaries and affiliates. Prior to the Petition Date, the Debtors' non-debtor foreign subsidiaries and affiliates received credit support and loans for their operations from their respective domestic parent companies.

5. On April 12, 2001, the United States Trustee formed the Committee consisting of the following members: J.P. Morgan Chase & Co., ABN AMRO Bank N.V., Bank of America, N.A., The Bank of New York, as indenture Trustee, Bankers Trust Company, as indenture Trustee, First Union National Bank, Sealed Air Corporation, Wachovia Bank N.A., and Zagrus Environmental, Inc. During the first meeting of the Committee on April 12, 2001, the Committee duly selected Stroock as its counsel to represent the Committee in all matters during the pendency of the Debtors' chapter 11 cases.

6. The Committee, thereafter, requested the assistance of William S. Katchen, Esq. and Michael Lastowski, Esq. of Duane, Morris & Heckscher LLP, with an office located at 1100 North Market Street, Suite 1200, Wilmington, DE 19801, to act as local counsel to the Committee during the pendency of the Debtors' chapter 11 cases.

JURISDICTION

7. This Court has jurisdiction over this application pursuant to 28 U.S.C. §§157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

RETENTION OF DUANE MORRIS

8. The Committee respectfully requests the entry of an order authorizing it to employ and retain Duane Morris as its local counsel to perform the legal services that will be necessary during these jointly administered chapter 11 cases.

9. The Committee has selected Duane, Morris as its local counsel because of the

firm's extensive knowledge and expertise in the areas of law relevant to these cases. In addition, Duane Morris has considerable experience in representing unsecured creditors' committees in chapter 11 reorganization cases and other debt restructurings. Moreover, pursuant to Local Bankruptcy Rule 9010-1, and because the members, counsel, and associates of Stroock are not Delaware lawyers, the retention of Duane Morris as Delaware counsel is necessary.

10. The Committee also seeks to retain Duane Morris as its local counsel because of the firm's expertise, experience and knowledge practicing before this Court, as well as its proximity to the Court, and its ability to respond quickly to emergency hearings and other emergency matters in the Court. The Committee believes that the Duane Morris attorneys are well qualified and able to represent it in these chapter 11 cases.

11. Subject to Court approval, Duane Morris will charge for its legal services on an hourly basis and will seek reimbursement of its actual and necessary expenses.

12. Duane Morris intends to apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of this Court and pursuant to any additional procedures that have and may be established by the Court in this case.

13. The professional services that Duane Morris will render to the Committee include, but shall not be limited to, the following:

- a) provide legal advice with respect to the Committee's rights, powers and duties in these cases;
- b) prepare on behalf of the Committee all necessary applications, answers, responses, objections, forms of orders, reports and other legal papers;
- c) represent the Committee in matters involving contests with the Debtors and other

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DUANE, MORRIS & HECKSCHER

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parties in interest;

- d) assist the Committee in its investigation and analysis of the Debtor's and the operations of the Debtor's business; and
- e) perform all other legal services for the Committee which may be necessary and proper in these cases.

Duane Morris will make every reasonable effort to avoid duplication of services in this representation.

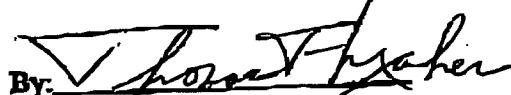
14. To the best of the Committee's knowledge, based upon the Affidavit of William S. Katchen (the "Katchen Affidavit") attached hereto and incorporated by reference herein, Duane Morris neither holds nor represents an entity having an adverse interest in connection with the case, and is a "disinterested person" within the meaning of Sections 327(a) and 101(14) of the Bankruptcy Code.

NO PRIOR REQUEST

15. No previous application for the relief sought herein has been made by the Committee to this or any other Court.

WHEREFORE, the Committee respectfully requests entry of the unexecuted Order authorizing the Committee to employ and retain Duane Morris as local counsel and providing the Committee such other and further relief as the Court may deem just and proper.

THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS

By: 

Thomas F. Maher
J.P. Morgan Chase & Co.
Chair of the Committee

Dated: May 17, 2001

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re: : **Chapter 11**
W.R. GRACE & CO., et al.,¹ : **Case No. 01-01139 (JJF)**
Debtors. : **(Jointly Administered)**
_____**Objection Deadline:** June 4, 2001
Hearing Date: To be scheduled only if objections are timely filed

**AFFIDAVIT OF WILLIAM S. KATCHEN IN SUPPORT OF
APPLICATION TO APPROVE RETENTION OF DUANE, MORRIS & HECKSCHER
LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
EFFECTIVE AS OF APRIL 17, 2001**

WILLIAM S. KATCHEN, being duly sworn, deposes and says:

1. I am an attorney at law admitted to practice in the State of New Jersey, in the United States District Court for the District of New Jersey, the United States Court of Appeals for the Third Circuit and the Supreme Court of the United States. I am a member of the firm

1 The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circ Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., GC Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

of Duane, Morris & Heckscher LLP ("Duane Morris"), which firm maintains an address at One Riverfront Plaza, 2nd Floor, Newark, New Jersey 07102 as well as 1100 North Market Street, Suite 1200, Wilmington, DE 19801, and 17 other United States cities and London, and make this affidavit in support of the application (the "Retention Application") of the Official Committee of Unsecured Creditors (the "Grace Committee") of W.R. Grace and Co. ("Grace") and sixty one of its domestic affiliates and subsidiaries (collectively with Grace, the "Debtors") seeking approval to retain Duane Morris as its local counsel effective as of April 17, 2001, and to make certain disclosures required under Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy

Procedure.

2. On April 17, 2001, the Grace Committee duly selected Duane Morris as its local counsel to represent it during the pendency of the Debtors' chapter 11 cases. Upon its retention, Duane Morris immediately began to review and analyze the numerous pending motions in these cases, and other issues which may substantially impact on creditor recoveries in these cases.

3. Duane Morris has a well known practice in the field of insolvency, reorganization bankruptcy law, as well as expertise in corporate, labor, tax, real estate, environmental and other areas of law related to corporate financing and commercial practice and related complex litigation.

4. In preparing this Affidavit, I caused to have submitted to Duane Morris' conflict data base, and distributed to all Duane Morris personnel, the names of, among others, (i) the Debtors; (ii) the consolidated list of creditors holding the twenty largest unsecured claims identified on the Debtors' petition; (iii) members of the Grace Committee; (iv) the officers and directors of the Debtors; (v) the plaintiffs and other parties in interest to non-asbestos litigation

against the Debtors; (vi) the names of significant co-defendants to the Debtors in asbestos litigation and law firms involved in inventory settlement agreements disposing of asbestos bodily injury claims valued at more than \$5 million; (vii) the top 100 equity security holders of the Debtors; (viii) the Debtors' bank creditors and issuers of their outstanding letters of credit or surety bonds; (ix) parties to real estate leases with the Debtors; and (x) other parties in interest known to me (collectively the "Conflicts Check"). A complete list of the entities that I caused to be submitted for review by our conflicts check system is annexed hereto as "Schedule A".

5. Duane Morris maintains and updates its computer conflict data base in the regular course of business of the firm, and it is the regular practice of the firm to make and maintain these records. The conflicts check system is designed to include every matter on which the firm is now or has been engaged, the entity by which the firm is now or has been engaged, and in each instance, the identity of the related parties and adverse parties and the attorney in the firm that is knowledgeable about the matter. Duane Morris' policy is that no new matter may be accepted or opened within the firm without completing and submitting to those in charge of maintaining the conflict check system and adverse party index, the information necessary to check each such matter for conflicts, including the identity of the prospective client, the matter and related and adverse parties. Thus, the database is regularly updated for every new matter which Duane Morris undertakes.

6. Except as disclosed herein, Duane Morris does not have any connection with the Debtors, their professional advisors, their officers and directors, the twenty largest unsecured creditors, as listed in a consolidated form, or other parties identified on Schedule A and believes that it is "disinterested" under § 101(14) of the Bankruptcy Code.

i. **Debtors.** Based upon its Conflicts check, Duane Morris does not currently represent any of the chapter 11 Debtors; however, in the past the firm has provided counsel on discrete New Jersey real estate matters to one of the Debtors, Gloucester New Communities Company, Inc. This representation is not adverse to the Debtors' estates or their creditors in matters upon which Duane Morris is to be engaged by the Committee. During the period of its retention, while employed by the Grace Committee, pursuant to § 1103(b), Duane Morris will not represent any Debtor in connection with the cases.

ii. **The Grace Committee.**

a) ABN-AMRO Bank N.V. ("ABN") Duane Morris has in the past and currently represents ABN and/or its affiliates in unrelated commercial banking and litigation matters. These matters are unrelated to these chapter 11 cases.

b) Bank of America N.A. ("B of A") Duane Morris has in the past and currently represents B of A in restructuring and reorganization matters which are unrelated to these chapter 11 cases, except as noted herein. B of A is a member of the Grace Committee in this case and post-petition lender to the Debtors. Duane Morris currently represents as counsel or local counsel several bank lender groups in unrelated cases, in which B of A is the agent, or a member of such group, including the Armstrong World Industries, Inc., chapter 11 case, in this District, and in the G-I Holdings, Inc. bankruptcy case, pending in the Bankruptcy Court, District of New Jersey. Both of these cases involve asbestos litigation, and do not include representation of any claims or adverse interests related to the Debtors in W.R. Grace, Inc., et al. cases.

c) The Bank of New York. ("BNY") Duane Morris has in the past and currently represents BNY in restructuring and reorganization matters which are unrelated to these chapter 11 cases. Duane Morris serves as local counsel to BNY as agent to a group of pre-petition bank lenders with the firm of Wachtell, Lipton, Rosen & Katz in the matter of G-I Holdings, Inc. in connection with loans and advances to a non-filed wholly owned subsidiary of the Debtor, BMCA.

d) The Chase Manhattan Bank n/k/a JP Morgan Chase & Co. ("Chase") Duane Morris has in the past and currently represents Chase in restructuring and reorganization matters which are unrelated to these chapter 11 cases. Chase is agent under the pre-petition revolving credit facilities, is listed as one of Grace's twenty largest creditors, and is a member of the Committee. Duane Morris represents Chase as lender and as agent for a group of pre-petition lenders, in connection with the chapter 11 case of Armstrong World Industries, Inc. Duane Morris' representation in these matters is unrelated to these chapter 11 cases.

e) First Union Securities & First Union National Bank. ("FNB") Duane Morris has in the past and currently represents FNB and some of its affiliates, in matters related to structured finance work and creditors' rights. Duane Morris' representation in these matters is unrelated to the W.R. Grace chapter 11 cases.

iii. **Other Known Creditors or Parties In Interest:** Based upon the investigation described above, it appears that Duane Morris has represented or currently represents the following entities in matters:

a) General Electric Co. ("GE") Duane Morris represents subsidiaries of GE in matters that are unrelated to the chapter 11 cases or the pending asbestos litigation in which the Debtors are co-defendants.

b) The Principal Mutual Life Insurance Company, Inc. ("Principal") Principal is a client of Duane Morris who holds mortgages on real property of the Debtors or their affiliates. Duane Morris currently represents Principal in various commercial and bankruptcy matters which are unrelated to the Debtors' chapter 11 cases. Duane Morris has represented Principal in connection with certain of its liens and mortgages on which one of the Debtors and certain non-Debtor affiliates are obligors. Duane Morris will not represent Principal in connection with the enforcement of any of Principal's rights against the Debtors or their affiliates.

c) National Coordinating Defense Counsel Representation. Duane Morris is currently the National Coordinating Defense Counsel representing IMO Industries, Warren Pumps and Synkolid Corp. who are listed as Asbestos Litigation Significant Co-defendants.

d) Ingersoll Rand Co. ("Ingersoll Rand") Duane Morris represents Ingersoll Rand in matters unrelated to these chapter 11 cases.

e) Merrill Lynch, Pierce, Fenner & Smith. ("Merrill Lynch") Duane Morris represents Merrill Lynch in matters unrelated to these chapter 11 cases.

f) General Motors Corporation. ("General Motors") Duane Morris represents the corporation and its subsidiaries in matters that are unrelated to the chapter 11 cases or the pending asbestos litigation in which the Debtors are co-defendants.

g) Oxy Vinyls, L.P. ("Oxy") Duane Morris represented Oxy in a reclamation demand in the Debtors' chapter 11 cases which demand is currently pending and which may be resolved by agreement. Duane Morris will not further represent Oxy.

7. To the best of my knowledge and belief, the firm of Duane Morris does not currently represent any party or co-defendant asserting claims for indemnity or contribution against the Debtors or their affiliates, except to the extent such claims automatically arise under Local Rules of Civil Procedure or other applicable law. To the extent that such claims exist between or among such co-defendants, the firm of Duane Morris will not represent any such claim against the Debtors while Duane Morris represents the Committee pursuant to § 1103(b).

8. At the commencement date of these cases, Duane Morris was owed \$72.00 in connection with the prior representation of the Debtor in real estate matters, which claim has been waived. In addition, the Debtors had requested that Duane Morris continue to provide real estate representation post-petition, as "an ordinary course professional" in such real estate matters. During the period of its retention by the Grace Committee, Duane Morris will not provide any such representation to the Debtors.

9. Except as described above, none of the representations of the interests

described in this affidavit includes any matter related to these proceedings or to the Debtors.

None of such representations are materially adverse to the interest of the Estate or of any class of creditors which would prevent Duane Morris from being a disinterested person under § 101(14).

10. Due to the size and diversity of Duane Morris' practice, and the large number of creditors of these estates, Duane Morris may have represented or otherwise dealt with, and may now be representing or otherwise dealing with, other persons (and their attorneys and accountants) who are or may consider themselves to be creditors, equity security holders or parties-in interest in these chapter 11 cases, in matters unrelated to the Estate.

11. I hereby further represent that insofar as I have been able to ascertain, I am and each member of my firm is a "disinterested person" as that term is defined in § 101(14) of the Bankruptcy Code.

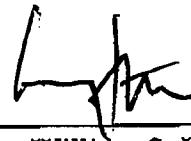
12. All compensation to Duane Morris for fees and expenses incurred during these chapter 11 cases shall be subject to approval by this Court upon the filing of appropriate application(s) for interim or final allowance of compensation, in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Rules of this Court and orders of this Court.

13. No promises have been received by Duane Morris or by any member, counsel or associate thereof as to compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code.

14. I hereby represent that Duane Morris has not agreed to share with any person or entity any of the compensation to be paid for the services rendered in these cases, other than as permitted pursuant to § 504(b) (1) of the Bankruptcy Code.

15. Duane Morris intends to apply for compensation for professional services rendered in this chapter 11 case and for reimbursement of actual and necessary expenses incurred in connection therewith, subject to Court approval, in accordance with §§ 330(a) and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules and any administrative order that may be entered in this case.

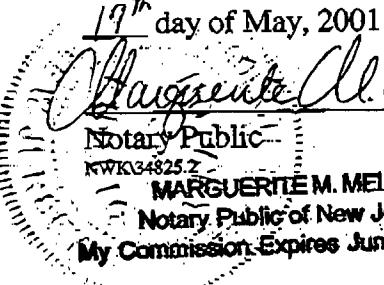
16. The current hourly rates for partners at Duane Morris range from \$230.00 to \$450.00 per hour and for associates from \$130.00 to \$250.00 per hour. Paralegals' rates range from \$50.00 to \$130.00 per hour. The foregoing rates are subject to periodic increases, usually in January each year. Expense items for which the Debtor may be charged, include, but are not limited to, document reproduction, computerized research, travel expenses, telephone charges, telecopier charges, mailing charges, necessary secretarial overtime, messenger services, filing fees, service of process charges, expenses of investigation, trial experts, the costs of depositions or other transcripts of testimony and, in general, all identifiable expenses that would not have been incurred except for representation of a particular client.



William S. Katchen

Sworn to before me this

17th day of May, 2001


Notary Public

NWK34825.2

MARGUERITE M. MELVIN

Notary Public of New Jersey

My Commission Expires June 18, 2003

SCHEDULE A

SCHEDULE A

(i) DEBTORS

W.R. Grace & Co.	A-1 Bit & Tool Co., Inc
Alewife Boston Ltd.	Alewife Land Corporation
Amicon, Inc.	CB Biomedical, Inc.
CCHP, Inc.	Coalgrace, Inc.
Coalgrace II, Inc.	Creative Food 'N Fun Company
Darex Puerto Rico, Inc.	Del Taco Restaurants, Inc.
Dewey and Almy, LLC	Ecarg, Inc.
Five Alewife Boston Ltd.	GC Limited Partners I, Inc.
GC Management, Inc.	GN Holdings, Inc.
GC Management Corporation	Gloucester New Communities Company, Inc.
GPC Thomasville Corp.	Grace A-B II Inc.
Grace A-B Inc.	Grace Culinary Systems, Inc.
Grace Chemical Company of Cuba	Grace Energy Corporation
Grace Drilling Company	Grace Europe, Inc.
Grace Environmental, Inc.	Grace HG II Inc. -
Grace H-G Inc.	Grace International Holdings, Inc.
Grace Hotel Services Corporation	Grace PAR Corporation
Grace Offshore Company	Grace Tarpon Investors, Inc.
Grace Petroleum Libya Incorporated	Grace Washington, Inc.
Grace Ventures Corp	W.R. Grace & Co. Conn.
W.R. Grace Capital Corporation	Gracoal, Inc.
W.R. Grace Land Corporation	Guanica-Caribe Land Development Corporation

SCHEDULE A
(i) DEBTORS

Gracoal II, Inc.	Homco International, Inc.
Hanover Square Corporation	LB Realty, Inc.
Kootenal Development Company	Monolith Enterprises, Incorporated
Litigation Management, Inc.	MRA Holdings Corp.
Monroe Street, Inc.	MRA Staffing Systems, Inc.
MRA Intermedco, Inc.	Southern Oil, Resin & Fiberglass, Inc.
Remedium Group, Inc.	Axial Basin Ranch Company
Water Street Corporation	Hayden-Gulch West Coal Company
CC Partners	H-G Coal Company

SCHEDULE A

(ii) CONSOLIDATED LIST OF 20 LARGEST UNSECURED CREDITORS

Chase Manhattan Bank, n/k/a J.P. MorganChase & Co.	Los Angeles Unified School District
Huntsman Corporation	DCP-Lohja, Inc.
PCS Nitrogen Fertilizer, L.P.	Dupont Dow Elastomers
Cass Logistics Temporary	Union Carbide Corporation
Southern Ionics, Inc.	BASF
CNA Insurance	Radian International
Stone Packaging System	Valeron Strength Films
Ingersoll-Rand Fluid Products	Delta Chemicals
Depository Trust Co.	CEDE & Co.
Zhagrus Environmental, Inc.	

SCHEDULE A

(iii) MEMBERS OF THE GRACE COMMITTEE

Sealed Air Corporation	The Bank of New York
Bankers Trust Company, as indenture trustee	Zhagrus Environmental, Inc.
ABN AMRO Bank N.V.	JP Morgan Chase & Co.
First Union	Bank of America, N.A.
Wachovia Bank	

(iv) DIRECTORS AND OFFICERS OF DEBTORS

Akos L. Nagy	O. Mario Favorito
Alicia Burke	Paul Bettacchi
Anthony G. Riddlesperger	Paul J. Norris
D. F. Garvey	Paul McMahon
David B. Siegel	R. H. Locke
David M. Cleary	Robert A. Maggio
David Nakashige	Robert F. Jenkins
Dudley L. Bobolts	Robert J. Bettacchi
Elyse Napoli-Filon	Robert J. Medler
Fabio Tegiacchi	Robert M. Tarola
Gregory E. Poling	Robert P. Turner
Henry C. Lyons	Ronald C. Cambre
J. Elder	Ruth E. Rowan
John F. Akers	Susan E. Farnsworth
John J. Murphy	Susan Eccher
Kang Hui Shen	Thomas A. Vanderslice
Mark A. Shelnitz	W. Brian McGowan
Martin Hunter	William L. Baker
Marye Anne Fox	William L. Monroe
Michael A. Miller	William M. Corcoran
Michael N. Piergrossi	

(v) **PLAINTIFFS AND OTHER PARTIES-IN INTEREST TO
NON-ASBESTOS LITIGATION AGAINST DEBTORS**

Abbott, Margaret
Abbott, Eugene
Abner, Travis
Ada Public Library
Adams County Public Library
Akron City School District
Akron-Summit County Public Library
Alexander Local Schools
Alexandria Public Library
Amanda Clearcreek Local School District
Amherst Public Library
Amos Memorial Public Library
Anthony Wayne Local School District
Arcanum Public Library
Ashland Public Library
Ashtabula County District Library
Athens City School District
Austintown Local School District
Avon Lake City School District
Avon Lake Public Library
Baker, Sr., George
Barberton City School District
Barberton Public Library
Barsky, Harry
Bay Village City School District
Beachwood City School District
Beavercreek City School District
Bedford City School District
Bellefontaine City School District
Bellevue Public Library
Bexley Public Library
Birchard Public Library of Sandusky Co.
Bleazard, Erica
Bleazard, Ross
Bleazard, Laura
Bleazard, Laura - David Bleazard
Bliss Memorial Public Library
Bloom Carroll Local School District
Bloomfield-Mespo Local School District
Bluffton-Richland Public Library
Botkins Local School District
Bowen, Gary
Brecksville-Broadview Hts. City Sch. Dst.
Bristol Local School District
Bristol Public Library
Buckeye Valley Local Schools
Buckeye Central Local School District
Buckles-Whitmer, Donna
Bucyrus Public Library
Bullock, Lawrence
Canal Winchester Local School District
Canal Fulton Public Library
Cardington Lincoln Local School District
Carnegie Public Library
Casarino, Peter
Centerville City-School District
Central State University
Champaign County Library
Chardon Local School District
Chase, Adam
Circleville City School District
Clark County Public Library
Claymont School District Public Library
Clermont County Public Library
Cleveland State University
Cleveland Hts.-Univ. Hts. City Sch. Dst.
Cleveland Municipal School District
Cleveland Public Library
Cloverleaf Local School District
Clyde Public Library
Coco, Thomas
Coldwater Public Library
Columbiana Public Library
Columbus Metropolitan Library
Columbus State Community College
Coshocton Public Library

Coshocton City School District
Coventry Local-School District
Crestline Public Library
Crestwood Local School District
Cryovac Sealed Air Corporation
Cuyahoga Falls School District
Cuyahoga Heights Local School District
Cuyahoga County Public Library
Danville Local School District
Dayton and Montgomery County Public Library
Defiance Public Library
Del Pino, Jose Ramon Llaguna
Delaware County District Library
Delphos Public Library
Doss, Iris Rose
Doss, Jr., James
Doss, Iris
Doss, Jesse
Dover Public Library
E. Cleveland City School District
E. Palestine Memorial Public Library
East Clinton Local School District
East Guernsey Local School District
Eastwood Local School District
Ella M. Everhard Public Library
Elmwood Local School District
Elyria Public Library
Euclid Public Library
Evergreen Local School District
ExxonMobil Corporation
Fairfield County District Library
Fairfield Local School District
Fairfield Union Local School District
Fairlawn Local School District
Fairport Public Library
Findlay-Hancock County Public Library
Forst - Jackson Public Library
Four Bear, Charles - Jonathon Little
Four Bear, Charles - Whirlwind
Four Bear, Charles - Joray Four Bear
Four Bear, Charles
Four Bear, Anna
Four Bear, Charles -Charles Four Bear II
Four Bear, Charles-Ava L LittleWhirlwind
Franklin Public Library
Franklin City School District
Fremont City School District
Frontier Local School District
Galion Public Library Association
Garrison, Charline
Geauga County Public Library
Genoa Area Local School District
Gill, James
Gilstrap, Viola
Girard City School District
Girard Free Library
Gnadenhutten Public Library
Grafton-Midview Public Library
Grainger, David
Grainger, Denise
Grainger, Denise - Jay Grandchamp
Grainger, Trivian - Adam Grainger
Grainger, Dawn
Grainger, Trivian - Daniel Grainger
Grainger, Trivian
Grainger, Denise - Tina Kohl
Granville Public Library
Greene County Public Library
Hamilton Local School District
Harbor-Topsy Memorial Library
Hardin-Houston Local School District
Harris Elmore Public Library
Harrison, Noel
Hatco Corporation
Helms, Brenda
Herrick Memorial Public Library
Highland Local School District
Highland County District Library
Hilliard City School District
Hillsboro City School District
Hocking Technical College
Holmes County District Public Library
Hubbard Exempted Village School District
Hubbard Public Library
Huron Public Library

Ida Rupp Public Library
Independence Local School District
Jackson Local School District
James Gill, on behalf of Calif. General Public
Jefferson Area Local School District
Jefferson Township Local School District
Johnstown Monroe Local School District
Jones, Richard
Kaneb Pipeline Operating Partnership, L.P.
Kaubisch Memorial Public Library
Kelley, Joan Mary
Kelly, Joan
Kenston Local School District
Kent City School District
Kent Free Library
Kester, Dale
Kettering City School District
Kingsville Public Library
Kinsman Free Public Library
Kirtland Public Library
Lake Local School District
Lakeland Community College
Lakeview Local Schools
Lakewood Public Library
Lane Public Library
Lebanon Public Library
Leetonia Community Public Library
Liberty Center Public Library
Liberty Union Thurston Local Schools
Licking Heights Local School District
Lima Public Library
Little Miami Local School District
Logan Elm Local School District
Logan County District Library
London City School District
London Public Library
Lorain County Community College
Lorain Public Library
Loudonville Public Library
Louisville Public Library
MacKenzie Memorial Public Library
Manning, Willard
Mansfield-Richland County Public Library
Maple Heights City School District
Martell, Rene
Marvin Memorial Library
Marysville Exempted Village School Dst.
Marysville Public Library
Mason Public Library
Massillon Public Library
Maumee City School District
McComb Public Library
McKinley Memorial Library
Medical College of Ohio
Medina County District Library
Mentor Public Library
Mesquita, Richard
Miamisburg City School District
Middletown Public Library
Middletown - Monroe School District
Milton Union Public Library
Minerals Management Service, Inc.
Minerva Public Library
Mohawk Community Library
Montpelier Exempted Village School Dist.
Montpelier Public Library
Napoleon Public Library
Nelson, Geraldine
Nelsonville-York City School District
New Lexington City School District
Newton Falls Exempted Village Sch. Dist.
Newton Falls Public Library
Nordonia Hills School District
North Canton Public Library
North Baltimore Public Library
North Canton City School District
North Olmsted City School District
North Royalton City School District
Northridge Local School District
Northwood Local School District
Oak Harbor Public Library
Oakwood City School District
Oberlin Public Library
Ontario Local School District
Oregon City School District
Orville Public Library

Ostego Local School District
Overton, Wyatt
Paint Valley Local School District
Parker, Mel
Parker, Lerah
Pataskala Public Library
Patrick Henry Sch. Dist. Public Library
Paulding County Carnegie Library
Pemberville Public Library
Perry Public Library
Perry, Ruppel
Perry School District (Fayetteville, IN)
Perryburg Exempted Village School Dist.
PETRO Resources, Inc.
Pettisville Local School District
Pickerington Local School District
Pishioneri, James
Plain Local School District
Plain City Library
Poland Local School District
Port Clinton City School District
Portage County District Library
Preble - Shawnee Local School District
Public Library of Cincinnati & Hamilton
Putnam County District Library
R. Mesquita, in behalf of California General
Public
Reddoor, Abigail
Reddoor, Irma
Reed Memorial Library
Revere Local School District
Reynoldsburg City School District
Ricket, William
Ricker, Jr, George F (Erin Ricker)
Ricker, Helen
Ricker, Sr., George
Ricker, Jr., George
Ritter Public Library
River Valley Local School District
Roberts, John
Rockford Carnegie Library
Rocky River Public Library
Rocky River City School District
Russia Local School District
Salem Public Library
Salem City School District
Sandusky Public Library
Seneca East Public Library
Sinclair Community College
Smith, R. Gene
Solon City School District
Southeastern Local School District
Southern State Community College
Southwest Licking Local School District
Southwest Public Library
Spiker, Pauline
Springfield Local School District
St Paris Public Library
Stark County District Library
State of Ohio (Attorney General)
State of Michigan, Dept. of Corrections
Stow-Munroe Falls Public Library
Support Services Terminal, Inc.
Sylvania City School District
Taco Tico, Inc.
Taco Tico Acquisition Corp.
Taylor Memorial Public Library
Teays Valley Local School District
Tennison, Kathleen
Tennison, Kathleen
Thompson, Harrison
Tiffin-Seneca Public Library
Tipp City Public Library
Toledo City School District
Travis Abner, on behalf of Calif. Gen'l Public
Tri-County North Local Schools
Triad Local School District
Trimble Local School District
Troy City School District
Troy-Miami County Public Library
Tuscarawas County Public Library
Twin Valley Community Local School Dist.
Twinsburg City School District
Twinsburg Public Library
United States Department of Interior
Upper Sandusky Community Library

Upper Sandusky Exempted Village Sch. District
Upper Arlington City School District
Upper Arlington Public Library
Urban, Charles
Valley View Local School District
Versailles Exempted Village Sch. District
Wadsworth City School District
Walker, L. Diane
Walker, Diane
Wapakoneta City School District
Warren-Trumbull County Public Library
Warrensville Heights City School District
Washington State Community College
Washington Court House City Schools
Washington-Centerville Public Library
Waterloo Local School District
Waverly City School District
Way Public Library
Wayne Local School District
Wayne County Public Library
West Geauga Local School District
Westerville City School District
Westerville Public Library
Whitmer, Warren
Willard Memorial Library
Wilmington Public Library of Clinton County
Wolf Creek Local School District
Wood County District Public Library
Woodmore Local School District
Woodridge Local School District
Worthington Public Library
Wright Memorial Public Library
Wright, James
Yellow Springs Ex Village Sch. District
Youngstown/Mahoning County Public Library
Youpee, Josi
Youpee, Sr, Marvin K. - Iris Youpee
Youpee, Sr., Marvin
Youpee, Sr, Marvin K. - Brittany Youpee
Youpee, Cary
Youpee, Dwight
Youpee, Allen
Youpee, Sr, Marvin K. (Marvin Youpee, Jr)
Youpee, Sr, Marvin K. (William Youpee, III)
A. P. Green Services, Inc.
Allegheny Solvents and Chemicals Company
Amchem Products, Inc.
American Trading & Production Corp.
American Petrofina, Inc.
Amoco Corporation
Amoco Shipping Company
Anchor Chemical Company
Andrews Oil Company
Arthur F. Hazen & Son, Inc.
ASARCO Incorporated
Ashland Oil, Inc.
Atlantic-Richfield Company
B. P. Oil Corporation
Baker & Taylor, Inc.
Basic, Inc.
Bearings and Transmissions, Inc.
Bearings, Inc.
Beaver Alkali Products
Beazer East, Inc.
Berry Bearing Company
Betz Laboratories, Inc.
BetzDearborn, Inc. (f/k/a Grace Dearborn Company)
Bigelow-Liptak Company
Blackhawk Chemical Company
Blackships, Inc.
Boron Oil Company
Bostik, Inc.
Boyer Chemical Laboratory Company
Burrell Corporation
Calgon Corporation
Chas Kurz & Co.
Chevron U.S.A., Inc.
Chevron Products Company
Chevron Shipping Company
Colowyo Coal Company, L.P.
Cosden Pipe Line Co.
Credit Suisse First Boston Corp.
D. A. Stuart Oil Co., Ltd.
DeShazer, Jack

Dextrex Corp.
Didier Taylor Refractories Corp.
Dow Chemical USA
E. F. Houghton & Company
El-Arabi, Mahguib
English China Clays, Inc.
Exxon Co. USA
FINA, Inc.
FINA Oil and Chemical Company
Fiske Bros. Refining. Co.
Fresenius Medical Care, Inc.
Fresenius National Medical Care, Inc.
Fresenius U.S.A., Inc.
G. Whitfield Richards
Gateway Industrial Supply
General Refractores Co.
Gojer, Inc.
Grand Saw & Machine, Inc.
Gulf Oil Corp.
Harbison-Walker Refractories Co.
Harry Miller Corporation
Hazen Petroleum, Inc.
Hess Tankership, Co.
Housley-Kimmich Company
Humble Oil & Refining Co.
Huthnance International, Inc.
Huthnance-Grace Offshore Company
Imperial Oil & Grease Co.
Imperial Metallic Lubricants, Inc.
Industrial Petroleum Chemicals
Jamestown Paint & Varnish Company
Jurgens, Charles
Kaiser Aluminum & Chemical Sales
Kennametal
Keystone Tankership Corp.
L. O. Burrell Company
L. P. S. Research Laboratories, Inc.
Laboratory Equipment Co.
Magnaflux Corporation
Management, Inc.
Marathon Oil
Marine Navigation Co., Inc.
Marine Transport Lines
Maurice A. Knight Company
McKesson Chemical Co.
Merrill Lynch, Pierce, Fenner & Smith, Inc.
Mesa Petroleum Co.
Metropolitan Urology, PSC
Mobil Oil Co.
Monsanto Company
Murphy Oil USA, Inc.
Murphy Exploration & Production Co.
N.Y. Hillside, a/k/a NY (Hillside), Inc. &
NY Petro. (Hillside) Inc.
National Chemsearch Corp.
National Tankers Corp.
National Medical Care, Inc.
Never-Seez Compound Corporation
Neville Chemical Company
North American Refractories Co.
O. Y. Sea Freight
Parkin Chemical Company
Pioneer Natural Resources Co.
Pioneer Natural Resources USA, Inc.
Pro-Chem. Inc.
Prudential Lines, Inc.
Quaker Chemical Corporation
Ralph A. Hiller Company
Ray Engineering
Reilly Tar & Chemical Corporation
Robinson Insulation Company
Samson Hydrocarbons Company
Samson Hydrocarbons Company
Saville & Co.
Sealed Air Corporation (US)
Shell Pipeline Corporation
State of Michigan, Department of
Corrections
Stauffer Chemical Co.
Sun Company
Support Terminal Services, Inc.
Support Terminals Operating Partnership,
L.P.
T. J. Stevenson & Co.
Texaco, Inc.
Texaco Refining and Marketing, Inc.

Texaco Marine Services, Inc.
Texize Chemicals, Inc.
The Steco Corp.
The Filtron Co., Inc.,
Union Pacific Railroad Company
Union Oil Co. of California
Union Carbide Corporation
United Refining Company
United Fruit Company
United States Steel Corp.
William K. Schmied, M. D.

(vi) ASBESTOS LITIGATION SIGNIFICANT CO-DEFENDANTS

101 California Investors Corp.
A. P. Green Industries, Inc.
A. P. Green Services Inc.
A. O. Smith Water Products Co.
A. W. Chesterton Company
A. C. Product Liability Trust
A BFST Products Co.
A. L. Burbank & Co. Ltd.
Abex Corp.
ACandS, Inc.
Acorn Iron & Supply Co.
Alfred Crane Co.
Allied Signal Inc.
Allied Glove Corp.
Altred Conhagen, Inc.
Amchem Products, Inc.
American Standard, Inc.
American Optical Corp.
American Export Lines, Inc.
Ametek, Inc.
Amoco Corp.
Amoco Oil Co.
Amoco Chemicals Co.
Anaconda Power Cable, Inc.
Anchor Packing Co.
Anco Insulations, Inc.
Appalachian Power Co.
Aqua Chem, Inc.
Arco Petroleum Products Co.
Argo International Corp.
Argo Packing Co.
Aristech Chemical Corp.
Armstrong World Industries
Asarco, Inc.
Asbestos Spray Corp.
Asbestos Product Mfg. Corp.
Asbestos Corp.
Asten Group, Inc.
Asten Canada, Inc.
Atlantic Asbestos Corp.
Atlantic Richfield Co.
Atlas-Turner Co. Ltd.
Auburn Manufacturing Co.
Aurora Pump Co.
B. F. Goodrich Co.
The Babcock & Wilcox Company
Beazer East, Inc.
Bethlehem Steel Corp.
Bigelow-Liptak Corp.
Black & Decker Corp.
BMCE, Inc.
The Boc Group, Inc.
Borg Warner Security Corp.
Boyd Co.
BP of America
Briggs Manufacturing Co.
Brown & Root, Inc.
Brown & Root USA, Inc.
Bryan Steam Corp.
The Budd Company
Burnham Corp.
Burns & Roe Synthetic Fuels, Inc.
C. E. Thurston & Sons, Inc.
Cape Industries, PLC.
CBS Corp.
Central Operating Co.
Certainteed Corp.
Champion International Corp.
Chemseco
Chevron Corp.
Chicago Fire Brick Co.
Cleaver Brooks Company, Inc.
Coffin Pump, Inc.
Collins Packing Co.
Coltec Industries, Inc.
Combustion Engineering, Inc.

Conhagen, Inc.
Consolidated Edison Co.
Consolidated Mines Selection
Continental Wire & Cable Co.
Cooper Industries, Inc.
Corhart Refractories Co.
Courter & Co., Inc.
Crane Co.
Crosby Steam & Valve Co.
Crown Cork & Seal Co., Inc.
D. B. Riley, Inc.
Dana Corp.
Daniel Construction Co.
Darragh Co.
Dover Resources, Inc.
Dow Chemical Co.
Dresser Industries, Inc.
Durabla Manufacturing Co.
Durame Talcic Corp., Inc.
E.G. & G. Sealol, Inc.
E.I. du Pont De Nemours & Co.
E.L. Stebbings, Inc.
Eagle Picher Industries, Inc.
Eagle, Inc.
Eastco Industrial Safety Corp.
Eastern Refractories Corp.
Eaton Corp.
Edison International, Inc.
Elliott Turbomachinery Co.
Elliott Machine Corp.
Empire Ace Asbestos Insulation
Ericsson Radio Systems, Inc.
Ernst Cago Co.
Everlasting Valve Co.
Excelsior, Inc.
F. R. Wright Co. Of Pittsburgh
Federal Mogul Corp.
Felt Products, Inc.
Ferodo America, Inc. (Acf)
Fibreboard Corporation
Figgie International
FKI Industries, Inc.
Flexitalic Gasket, Inc (Acf)

Flexo Products, Inc.
The Flintkote Company
Foote Mineral Co.
Foseco, Inc.
Foster Wheeler Corporation
Fulton Boiler Works, Inc.
GAF Corporation
Garlock Industries
Gasket Holdings, Inc.
Gateway Industrial Supply
Gatke Corp.
General Cable Corp.
General Motors Corp.
General Signal Corp.
General Refractories Co.
General Electric Co.
General Gasket Corp.
Georgia Pacific Corp.
Gibraltar Industrial Services Inc
Glen Alden Corp.
Goodall Rubber Co.
Goodyear Canada, Inc.
Goodyear Tire & Rubber Co.
Gould Pumps, Inc.
Graybar Electric Co.
Greene Tweed & Co.
Griffin Wheel Co.
Guard Line, Inc.
Gulf Coast Marine Supply Co.
.Gulf Engineering Co., Inc.
Gulf Oil Corp.
Gulf Belting & Casket Co.
H. B. Fuller Co.
H. H. Robertson
Hajoca Corp.
Hampshire Industries, Inc.
Harbison Walker Refractories
Hel-Pro, Inc.
Henry Vogt Machine Co.
Hersh Packing & Rubber Co.
Hobart Brothers Co.
Holmes Blunt Ltd.
Home Rubber Co.

Hopeman Brothers, Inc.
Houdan John Crane, Inc.
Houghton & Co.
Hunter Sales Corp.
IMO Industries
Imoff's, Inc.
INCO Alloys International, Inc.
Indian Head Industries, Inc.
Indresco, Inc.
Industrial Rubber & Specialty Co.
Industrial Holders Co.
Ingersoll Rand Co.
Ingersoll-Dresser Pump
Insul Co., Inc.
Insulation Corp.
International Freighting Corp.
International Minerals & Chemical
J. H. France Refractories Co., Inc.
J. T. Thorpe & Sons, Inc.
James Walker Manufacturing Co.
Janos Industries Insulation Corp.
John Crane, Inc.
Kaiser Aluminium & Chemical Corp.
Kaiser Aluminum & Insulation Co.
Keasbey & Mattison
Keeler Dorr Oliver Boiler Co.
Kelly-Moore Paint Co., Inc.
Kennebott Energy Company
Kentile Floors, Inc.
Kohler Co.
Komp Equipment Co., Inc.
Koppers Co., Inc.
La Favorite Industries, Inc.
Lake Asbestos of Quebec, Ltd.
Laurel Rubber & Gasket Co.
Leeds & Northrup Co.
Lloyd F. Mitchell, Inc.
Long Island Lighting Corp.
Marathon Oil Co.
Maremont Corp.
Marine Specialty Co., Inc.
Mario & Dibono Plastering Co., Inc.
The Marmon Group, Inc.
McCarty Corp.
McCormack Asbestos Co.
McMaster-Carr Supply Co.
Melrath Gasket Co.
Metropolitan Life Ins. Co.
Minnesota Mining & Mfg.
Mississippi Rubber & Specialty Co.
Mobil Oil Corp.
Monongail-LA Power Co.
Monsanto Chemical Co.
Morse Diesel Construction, Inc.
Mortell Company
National Refractories And Minerals Corp.
National Gypsum Co., n/k/a Asbestos Claims
Management Corp.
Noland Co.
North American Refractories Co.
North Brothers, Inc.
Norton Co.
Nosroc Corp.
Nuturn Corp.
O'Connor Constructors, Inc.
Oakfabco, Inc.
Occidental Chemical Corp.
Oglebay Norton Co.
Okonite Co.
Owens Illinois, Inc.
Owens Corning Fiberglass
Owens Illinois Glass Co.
Pacific Atlantic Steamship Co.
Panacon Corp.
Patterson Kelly Company
Peerless Heating Co.
Peerless Supply Co.
Peerless Industries, Inc.
Pecora Corp.
Pfizer, Inc.
Philip Carey Manufacturing Co.
Phoenix Specialty Manufacturing
Pittsburgh Plate Glass Industries
Pittsburgh Corning Corp.
Plibrico Company
Pneumo Abex Corp.

Porter, Hayden
PPG Industries, Inc.
Preferred Utilities Manufacturing
Premier Refractories & Chemicals
Proko Industries, Inc.
Puerto Rico Safety Equipment Co.
Quaker Rubber Co.
Quigley Company, Inc.
Rapid American Corp.
Ravenswood Aluminum Corp.
Reilly Benton Co., Inc.
Reynolds Metals Co.
Rhône Poulenc, Inc.
Rhopac, Inc.
Riley Stoker Corp.
Robert A. Keasbey Company
Robertson Ceco Corp.
Rockbestos Co.
Rohm & Haas Co.
Ruberoid Co. (successor is GAF Corp.)
S. B. Decking, Inc.
Safeguard Industrial Equipment
Sager Corp.
Sealol Corp.
Searo Packing Co.
Selby Battersby & Co.
Crouse-Hinds Sepco Corp.
Sequoia Ventures, Inc.
Shell Oil Co.
Sherwin Williams Co.
Shook & Fletcher Insulation Company
Skinner Engine Co., Inc.
South Atlantic Steamship
Standard Refractories Ltd.
Standard Equipment
Steel Grip Safety Apparel Co.
Stone & Webster, Inc.
Struthers Wells Corp.
Studebaker Worthing Co.
The Synkoloid Company of Canada, Ltd.
T & N, Ltd. (f/k/a T&N, PLC).
T & N Industries (ACF)
Taylor Seidenbach, Inc.
Taylored Industries, Inc.
Texaco, Inc.
Texas Vermiculite Co.
Thorpe Insulation Company
Tishman Construction Corp. of Illinois
Tishman Realty & Construction
Titusville Boiler Co.
Treadwell Corp.
Tung Sol Electric, Inc.
Turner Supply Co.
Tweed Greene & Co.
U. C. Realty Corp.
U. S. Navigation
U. S. Gypsum Corp.
Union Asbestos & Rubber Co.
Union Carbide Corp.
Uniroyal Chemical Co., Inc.
Uniroyal, Inc.
Universal Refractories, Inc.
U. S. Rubber Gypsum Co.
U. S. Mineral Products
U. S. Rubber Co.
USX Corp.
Vellumoid Co.
VIAD Corp.
Viking Pumps.
Vogt Machine Co.
Waco Insulation, Inc.
Wagner Electric Corp.
Walworth Co.
Warren Pumps, Inc.
Weil McLain United Dominion Co.
Westinghouse Electric Corp.
Wire and Cable Division
Worthington Corp.
Worthington Pump Machinery Corp.
York Industries Corp.
Zimmerman Packing & Mfg., Inc.
Zurn Industries, Inc.

INVENTORY SETTLEMENT AGREEMENTS WITH LAW FIRMS DISPOSING OF ASBESTOS BODILY
INJURY CLAIMS VALUED AT MORE THAN \$5 MILLION

Weitz & Luxenberg, P.C.	New York, NY
Reaud, Morgan & Quinn, Inc.	Beaumont, TX
Foster & Sear	Dallas, TX
Goldberg, Persky, Jennings & White, P.C.	Pittsburgh, PA
Silber & Pearman, P.C.	Dallas, TX
Law Offices of David Lipman, P.C.	Miami, FL
Cooney & Conway	Chicago, IL
Campbell, Cherry, Harrison & Dove, L.L.P.	Waco, TX
Robles & Gonzales, P.A.	Miami, FL

(vii) TOP 100 EQUITY SECURITY HOLDERS OF DEBTORS

Cede & Co	Holmes Oil Company
W. R. Grace & Co Book Entry Memo A/C	Lack & Lindsay
Loriot & Co.	William A. Maude
Jeanette L Vachon Trust UA	William L. Monroe
Paul J. Norris	Gerald W. Halmo
Charles H. Erhart Jr.	Daisy Salzo Casilla
Bob Robert Sunness	Fred P. Brandt
Wachovia Bank of North Carolina	Dorothy G. Kleiman
M. Evelyn Bowman	James G. Schaefer
Phyllis Schriger	Edmund F. Guaraldi Revocable Trust
John W. Austin Jr. & Patsy W. Austin Trust UA	John O. Flender
Quentin Alexander	Magdalen Sleeman
Patricia Stanley	Robert Bendheim
Ellen R. Saxl	Rudolf B. Peest
Angus W. Mercer	Robert E. Anderson & Mary F. Anderson
Ronald C. Cambre	Sylvia M. Erhart
Joyce M. Mercer	Phyllis Schriger & William D. Roger
Wayne T. Smith	Eileen Margaret Grimsditch
Rose M. Johnston	Richard J. Schoofs
John A. Santillo & Rose Santillo	Noel A. Lee
Edna M. Loos	Betty D. Green
Joanna M. Foley & Joseph P. Foley	Dorothy F. Sellers
Joseph A. Rightmyer	Lawrence M. Pucci
Simon Atlas	Hilda Salz O
Alanna Forshay Fenske	Bonnie Nagai
Fred P. Brandt & Catherine A. Brandt	CMSS as Exchange Agent for Unexchanged Holders of Chomerics, Inc.
George R. Perrin	George T. Fukui & Katherine K. Fukui
R. Ronald Kleiman	Lillian Berman
Joanna M. Foley & Joseph P. Foley	Leonard L. Brown
Merle Reppert	Johnny P. Forehand Jr.
David B. Siegel	Kathryn C. Mattingly
William M. Corcoran	Gregory E. Poling
Ann G. Fitzgerald	Douglas V. Reynolds
W. Brian McGowan	Olaf B. Schubbe
Harry S. Rinker Trust	The Smiley BBN Family Partnership
Raymond E. Smiley	David Lawrence
Janet L. Farr & Edward S. Farr	

Thomas Arlen Evans & Dotzie Kay Evans
Freda E. Strahl
Maria O. De Salz
Harold A. Eckmann
The Abraham Family Trust
Barbara Cates Baynard
Willie H. Blanton
Celwyn Company, Inc.
Rae C. Heiple
Burrel Leonard
Mary C. Kodis Trust
Joan McKay Young
Malech 1989 Family Trust
Margaret M. Sokol

Haig Torigian
Quentin L. Thelen
Robert L. Cox Jr.
Louise Loffredo
Elyse B. Napoli
Richard J. Nozemack
Steven S. Paloumbis
Mark A. Shelnitz
Gert H. Teska
Robert H. & Joan P. Beber
Laurey Mercer Rigsbee
George Montgomery
P. S. DeBeaumont

(viii) ISSUERS OF THE DEBTORS' OUTSTANDING LETTERS OF CREDIT

ABN AMRO Bank N.V.
Bank of America, N.A.
Citibank, N.A.
J.P. Morgan Chase & Co.
Wachovia Bank & Trust Company, N.A.

ISSUERS OF THE DEBTORS' OUTSTANDING SURETY BONDS

American International Group, Inc.
The Travelers Insurance Co.
Fireman's Fund Insurance Co.
The Hartford Financial Services Group, Inc.
St. Paul Companies, Inc.

BANK CREDITORS OF THE DEBTORS AND AGENTS AND INDENTURE TRUSTEES

The Chase Manhattan Bank (agent)
The Depository Trust Company
Bank of America, N.A.
J.P. Morgan & Chase Co.
First Union Bank
Credit Suisse First Boston Corp.
Dresdner Bank A.G.
Bank of Nova Scotia
ABN Amro Bank N.V.
Bank of New York
Northern Trust Bank
Wachovia Bank and Trust Company, N.A.
Hapoalim
Barclays Bank PLC
Citibank, N.A.
Commerzbank A.G.
Credit Lyonnais
HSBC/MarineMidland
Lloyds Bank, Dubai
CEDE & Co. (indenture trustee)
Deposit Guaranty Corp. (indenture trustee)

(ix) PARTIES TO REAL ESTATE LEASES IN WHICH DEBTORS ARE LESSEES

14901 North Scottsdale Road LLC / SM1/Southwestern Management, Inc.
2700 Stemmons
710, Inc.
A. Copeland Enterprises
A. Dong Oriental Grocery and Gift, Inc.
Abnet Realty Co. (Wm. Langfan & Aaron Ziegelman) / B E Holding Corp.
Accomplishments Through People, Inc.
AIP Properties
Alexander Summer, Inc.
Aliferis (UJ's Family Restaurant)
Allstore Realty Group
AMB Property, L.P.
AMCAP/Denver Ltd. Partnership
American Property Investors XI
American United Life Insurance Co.
APAC Teleservices, Inc.
Appollo Cards, Inc.
Arbor Vitae Company N.V.
ASIC Alliance Corporation
Associates Enterprises of Houston
Atlash Corporation N.V.
Autozone, Inc.
Azteca Restaurants (El Torito-La Fiesta)
B & N Enterprises
Baltivest, N.V.
Baronial Corporation, N.V.
Barrand, Inc.
Baydale, Inc. // AMFAC Merchandising Corp.
Bell Canyon Investments Company N.V.
Berch Corporation N.V.
Besswell Corporation, N.V
Birchwood at Jericho Associates
Bixby Ranch Company
Blakenship Villas of Clovis, Inc.
Boeing Court Partners
Broadway Place I
Bruce & Brent Speckert, Tracey Deatsch, Deborah Frostholm
Buccola Family Trust
Buen Dia Land Company N.V.

Builders Empotium Corp.
Builders Empourium (East), Inc.
Byer Properties
C & S, Inc.
Cabernet Company, N.V.
Caburan Land Company N.V.
Campamar Land Company N.V.
Caringello Investments II
Carlisle Property Co.
Carrow's
Casa Bonita, Inc.
Cassco Land Co., Inc.
Cavil Properties, Inc.
Cedar Square, A Texas General Partnership
CFS
Channel Home Centers
Channel Home Centers Realty Corp.
Channel Lumber Company
Channel of Route 10
Charger Land Company
Chart Towne Partnership
Chattanooga Food Systems, Inc.
Chi Chi's, Inc.
Child World, Inc.
Citizens and Southern Bank of W. Georgia
City Federal Savings & Loan Association
City/County of San Francisco - Public Utilities Commission
Clayton Dean
Coco's
Community Distributors, Inc.
Craddock Diversified Enterprises
Crested Butte Equities Co.
D & B of Hollywood
DAS Restaurants, Inc.
Dave Christensen, Inc. (successor in-interest - Bellevue Hilton)
Daylin, Inc.
De Nada Restaurants, Inc.
DELCO Development Co. of Gastonia / H. C. Associates
DELCO Development Co. of Tyvola
Delta Acquisitions, Ltd.
Dr/Mrs Robert Schmit
DT Propiedades
Dunn International Corporation

Dunn International of Georgia, Inc.
El Torito
El Toro Properties/Corp & Ludo and Gloria Bevilacqua
Elaine Power Figures Salons, Inc.
Eminent International Enterprises, Inc.
Evelyn Art Gallery
Fairlane Land Comapny, N.V.
Fast Food Properties
FBL Partners
Fedi, Fedi, Jaworski & Santini
FFCA/IIP
Fidelity Syndications, Inc.
First Harris Associates, Ltd.
First National Bank of Bloomington
Forshaw, Elizabeth
Frank & Marianne Sorci
Frederick J. and Pamela M. Axelberd
Freed Realty Company
Freeport Center Associates
Galahad Real Estate Corp.
Gardner-Smith Associates / Broad River Mall Assoc., L.P. /Hitchner, Witt & Co.
Garec Ltd. Partnership
Gaston Health Care, Inc.
Gene Biggli Properties
General Mills
Goodwill Industries so Greater New York, Inc.
Green Angel Investments Co., N.V.
Green Pastures, Inc.
Grupe - Squaw Valley Company Ltd.
Handy City Division
Harry & Elise Grimmer
H-B, Inc.
Heathcliff Investment Co., N.V.
Herman's Sporting Goods, Inc.
Hines Interest Limited Partnership
Home Builders Emporium-NY
Homer J. Rader
HQ / Hechinger Property Company
H-T Enterprises V
Hugh M. Tarbutton
Ingram Plaza Company
International Protective Coating Corp. (successor to Pyrotec Industries, Inc.)
Investcal Develop Co.

Investcal Realty
J & J Rentals
J. E. Smith
J.C. Food Corporation
Jack Astor's Leasing
James G., James H. Ayres and Mary Jane Ayres
Jericho Restaurant Associates
Jew, Anthony, MD
John & Susan Youngson
John H. Baker III
John L. Stevenson
Jojo's
Joseph and Inez Foundation
Joyce Alyn
JP Forney Jr, Trustee; Elinor L. Forney; James B. Davis and R.C. Bennett, Trustee
Keg Restaurants
Keystone Realty Company
Kravco Company; Lehigh Valley Associates
Kwo-Tai Richard Sun & Ivy Hsiao-Ming Chen Sun
La Jolla Village Professional Center Associates
La Mesa Crossroads
Lathampton Corporation
La Salle National Bank - Trust #100609
Laguna Hills Investment Company
Lampeter Joint Venture (Basser and Kaufman)
Larnet N.V.
Leverett Corporation N.V.
Lewis RE Trust, et al.
Life Time Floors, Inc.
Lismore Corporation N.V.
Lister Properties Co.
Listoville, N.V.
Lynda Ward
M.S.B. Properties
M/M John Santopadre
Malibu Land Company N.V.
Mamiye Brothers
Manor Development Co.
Margaret & Mike Conrotto
Mark Hankin and Hanmar Assoc. MLP.
MARS, Inc.
Marshall's of Milford, Connecticut., Inc.
Marshall's of Waterbury, Connecticut., Inc.

Marshall's of Wayne
Marshall's, Inc.
Martinvest, Inc. N.V.
Mattatuck Plaza Associates (successor to Simon Konover)
MCC Group Northglenn, LTD.
MCC Group-Mesquite # Joint Venture
McCutchin Brothers Joint Venture II
Mercury Mall Associates
Merlot Company N.V.
MGSC Corp.
Milford Associates
Missouri Limited Partnership
Mr. Beef Restaurants, Inc.
Myers Corner Development Corporation
New England Mutual Life Ins. Co.
Ninfa's (Rodco, L.C.)
NoHy
Northern Hydraulics, Inc.
Northwest Village Limited
Olive Garden
Ollie's Bargain Outlet, Inc.
Orchard Supply Building Co.
Pacar, Inc.
Pancho's Mexican Buffet
Paragon Steakhouse Restaurants, Inc.
Parkland Realty
Paul Choi & Evelyn Youngrea Choi
Peckman, Peter H. & Nancy M., c/o Investcal Realty Corp.
Pennsylvania Ltd. Partnership
Pepper Square Venture I
Perrot N.V. and Lowell Corporation
PFRS Dublin Corp.
PH Associates
Phoenix Concepts Corporation
Pier 1 Imports
Pike-Pal Associates
Pinata, Inc.
Plaza Camino Real
Plus Foods Discount, Inc.
Princessa Land Company, N.V.
Principle Life Insurance Co.
PRS Boyle Rd. Corp / Selden Center Associates / Net Realty Holding
Quick Foods, Inc. dba Taco Villa

Quivira 95 Company
Quortrup Petroleum Products, Inc.
Rhodes, Inc.
Richard & Kathryn Roszman
Richard L. Crawford and Geren Crawford Real Estate Investments
Robert V. McKeen & Co.
Robin Roach & Andrew P. Wieland
RREEF USA Fkund-III
Russell J. & Milton F. & Joyce Bruzzone
S. Klein Department Stores, Inc.
S.A.H. Partnership
Safari Realty Co., Inc.
Safeway Stores, Inc.
Safia, Inc.
Savmart of New Jersey, Inc.
Schantz, Schantz & Pernell
Scott William Wood
Serota & Sons
Shapell Industries of No. California, Inc.
Shepler's Inc.
Sheplers of Texas
Silver Shadow Land Company
Snack, Inc.
Soll Trust
Sota Bento Land Company, N.V.
South Plainfield Holding, Inc.
So. Pacific Dev. Co.
Southern Pacific Development
Southview Mexican Ltd. Partnership
Springs Assoc, L.P.
Springs Associates
Stanmel Corp.
Stein Mart, Inc.
Stephen Pontiac - Cadillac, Inc.
Sterling Projects, Inc.
Sylvor, Robert
Tony Roma's a/k/a Romacorp, Inc.
Taaz, L.L.C.
Taco Del Sur, Inc.
Taco Villa, Inc.
Terrin Holding, Co.
T/H Associates
The Fabric Emporium

The Great Atlantic and Pacific Tea Company
The Lincoln National Life Insurance Co.
The Lionel Corporation & Lionel Leisure, Inc.
The Oaks % Key Center
The Pep Boys - Manny, Moe & Jack
The Price Company
The Salvation Army
The Snyder Living Trust
The Voit Companies
Theodore, Judith, Edward & Thelma Bradford
Topps of Totowa
Trammel Crow Co.
Two Forty Associates
Two Guys from Harrison -- New York, Inc.
United Benefit Life Insurance Company
Urban Village Partners
Vess J. Barnes, Joyce A. Barnes, & Terry Smith as Trustees of Barnes Jewelry, Inc. Employees Profit Sharing Trust
Village Parkway Venture
Vincent & Rose Di Tommaso
Vintage Faire Assocs
Virginia Square Ltd.
Volare Investments Co.
Vornado, Inc.
W. H. C. Realty Corp. (successor to Simon Kónover)
Wal-Mart Stores, Inc.
Watson Land Company a/k/a Chomerics, Inc.
Wayne Industries, Inc.
Weingarten Realty Investors
Weingarten Realty, Inc.
Wendy's
West York Associates
Westbar Limited Partnership
Whataburger, Inc.
Whittaker/Valey River Partners
Who Songs & Larry's
Wickes Companies, Inc.
William K. Langfan and Aaron Ziegelman
Winfield Group
Wm. & Grace Garcia
Woodfair Venture, Ltd.
WRG Assoc. Four
WRG Assoc. Seven

WRG Assoc. Six
WRG Associates Five
WRG III, L.P.
Banker's Life of Des Moines, Iowa

(x) Other Parties in Interest

TrizecHahn Office Properties, Inc.

Blue Ridge Asset Funding Corporation

Retained Professionals

Kirkland and Ellis

Pachulski, Stang, Ziehl, Young & Jones P.C.

The Blackstone Group L.P.

Kekst & Company

Wachtell, Lipton Rosen & Katz

Shareholders

FMR Corp.

Peninsula Partners, L.P.

The Baupost Group, L.L.C.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: : Chapter 11
W.R. GRACE & CO., et al.¹ : Case No. 01-01139 (JJF)
Debtors. : (Jointly Administered)
: Objection Deadline: June 4, 2001 at 4:00 p.m.
: Hearing Date: To be scheduled only if objections are timely
filed and served

**ORDER PURSUANT TO SECTIONS 327 AND 1103 OF THE
BANKRUPTCY CODE AND BANKRUPTCY RULE 2014
AUTHORIZING THE EMPLOYMENT AND RETENTION
OF DUANE, MORRIS & HECKSCHER LLP AS LOCAL COUNSEL**

Upon the Application (the “Application”) for an order pursuant to §§ 327 and 1103 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) approving the retention of Duane, Morris & Heckscher LLP (“Duane Morris”) as local counsel to the Official Committee of Unsecured Creditors (the “Committee”) in the above-captioned chapter 11 case and upon the Affidavit of William S. Katchen, Esq., in support of the Application; and due and sufficient notice of the

¹

The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circc Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., GC Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, and H-G Coal Company.

Application having been given; and the Court being satisfied, based upon the representations made in the Application and the Affidavit that (i) Duane Morris represents no interest adverse to any of the estates of the above-captioned Debtors and Debtors-In-Possession (collectively, the "Debtors") with respect to matters for which they are to be retained; (ii) Duane Morris is a "disinterested person" as that term is defined under §101(14) of the Bankruptcy Code; and (iii) the employment of Duane Morris is necessary and would be in the best interest of the Committee and these estates; and after due deliberation, and sufficient cause appearing therefor, it is hereby

ORDERED that, the Application is granted; and it is further

ORDERED that, in accordance with §§ 327 and 1103 of the Bankruptcy Code, the Committee is authorized and empowered to retain the firm of Duane Morris as its local counsel effective as of April 17, 2001, to perform all of the services described in the Application; and it is further

ORDERED that, Duane Morris shall be compensated in accordance with the procedures set forth in §§ 330 and 331 of the Bankruptcy Code and such Bankruptcy Rules and Local Rules as may then be applicable, from time to time, and such procedures as may be fixed by order of this Court.

Dated: June 21, 2001
Wilmington, Delaware
NWK\34526.2


HONORABLE JOSEPH J. FARNAN, JR.,
United States District Court Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)
W. R. GRACE & CO., et al.) Chapter 11
Debtors.) Case No. 01-01139 (JJF)
)
) Jointly Administered

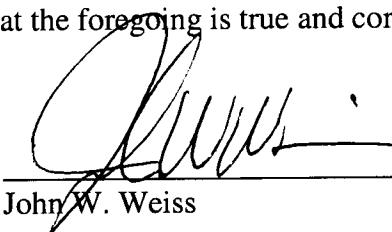
CERTIFICATE OF SERVICE

I, John W. Weiss, certify that I am not less than 18 years of age, and that service of a copy of the attached **Notice of Application for an Order Authorizing the Retention of Duane, Morris & Heckscher LLP as Counsel to the Official Committee of Unsecured Creditors** was made May 17, 2001, upon:

All of the parties indicated on the attached Service List by first class mail, postage prepaid, or as otherwise indicated.

Under penalty of perjury, I declare that the foregoing is true and correct.

5/17/01
Date


John W. Weiss

W. R. Grace 2002 Service List

Case No. 01-1139 (RJN)

Doc. No. Word146409v1

May 17, 2001

13 – Hand Delivery

07 – Federal Express

73 – First Class Mail

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David Carickhoff, Esquire.

Pachulski, Stang, Ziehl, Young & Jones

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The Bayard Firm

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Duane, Morris & Heckscher LLP
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Wilmington, DE 19801-1246

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James Kapp, III, Esquire
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Chicago, IL 60601

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Frank J. Perch, Esquire
Office of the United States Trustee
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Suite 950 West
Philadelphia, PA 19106

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Meighen Demers
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Sun Life Center, 200 Kint Street West
Toronto, Ontario M5H 3T4
CANADA

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W.R. Grace and Co.
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Columbia, MD 21044

Federal Express

(Official Committee of Personal Injury Claimants)
Elihu Inselbuch, Esquire
Rita Tobin, Esquire
Caplin & Drysdale, Chartered
399 Park Avenue, 36th Floor
New York, NY 10022

Federal Express

(Official Committee of Unsecured Creditors)
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Stroock & Stroock & Lavan LLP
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New York, NY 10038-4982

Federal Express

(Official Committee of Property Damage Claimants)
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Member
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Washington, DC 20020

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District Director

IRS

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Wilmington, DE 19809

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Securities & Exchange Commission

Atlanta Regional Office Branch/Reorganization

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Atlanta, GA 30326-1232

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Dover, DE 19903

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Secretary of State

Division of Corporations

Franchise Tax

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Dover, DE 19903

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U.S. Department of Justice

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